



# ZIEGLER CHEMICAL & MINERAL CORP.

100 JERICO QUADRANGLE, JERICO, NEW YORK 11753

TEL: 516-681-9600

FAX: 516-681-9604

S/047/063

DOGM RECEIVED  
~ 9-22-95

September 20, 1995

Mr. William M. Stokes  
State of Utah  
School and Institutional  
Trust Lands Administration  
355 West North Temple  
Three Triad Center  
Suite 400  
Salt Lake City, Utah 84180-1204

RE: \$24,000 Bond, Neal #1 Project, ML-46896,  
S/047/063, Uintah County, Utah

Dear Mr. Stokes:

Enclosed please find the \$24,000 bond for the above  
referenced lease. I trust everything is in order.

Sincerely yours,

William J. Hyland  
Vice President Finance

WJH/ky

Enc.



BOND N BER  
Corporate surety BondSTATE OF UTAH  
BOND OF LESSEEKNOW ALL MEN BY THESE PRESENTS, that we Ziegler Chemical & Mineral Corp.

of 100 Jericho Quadrangle, Jericho, NY 11753 as principal and  
Washington International Insurance Company, as surety, are held and firmly bound  
 unto the State of Utah in the sum of TWENTY FOUR THOUSAND AND NO/100 Dollars (\$ 24,000.00) lawful money of the United States  
 to be paid to the School & Institutional Trust Lands Administration, as agent for the State of Utah, for the use and benefit  
 of the State of Utah, and of any patentee or purchaser of any portion of the land covered by the hereinafter described  
 lease heretofore sold or which may hereafter be sold with a reservation to the State of Utah, on the surface or of other  
 mineral deposits of any portion of such lands, for which payment, well and truly to be made, we bind ourselves, and each  
 of us, and each of our heirs, executors, administrators, successors, assigns, and assignors, jointly and severally by  
 these presents.

Signed with our hands and seals this 18th day of September, 19 95.

The condition of the foregoing obligation is such that,

WHEREAS, The State of Utah, as Lessor, issued a(n) Small Mining Operation  
 lease, Lease Number ML-46896 and dated May 1, 1995, to Vern and Dorothy  
Jones as lessee (and said lease has been duly assigned under date of June 7, 1995  
 to Ziegler Chemical & Mineral Corp.) to drill for, mine, extract, and remove all of the gilsonite  
deposits in and under the following described lands, to wit:

NOW, THEREFORE, the principal and surety shall be obligated to pay all monies, rentals, royalties, costs of  
 reclamation, damages to the surface and improvements thereon and any other damages, costs, expenses, penalties, interest  
 or liabilities which arise by operation of or in connection with the above described lease(s) accruing to the Lessor and  
 shall fully comply with all other terms and conditions of said lease, the rules, regulations, and policies relating thereto  
 of the School & Institutional Trust Lands Administration, the Board of Oil, Gas and Mining, and the Division of Oil,  
 Gas and Mining as they may now exist or may from time to time be modified or amended. This obligation is in effect  
 even if the principal has conveyed part of its interest to a successor in interest. If the principal fully satisfies the above  
 described obligations, then the surety's obligation to make payment to the State of Utah is void and of no effect  
 otherwise, it shall remain in full force and effect until released by the School & Institutional Trust Lands Administration.

Signed, sealed and delivered  
in the presence of

ZIEGLER CHEMICAL &amp; MINERAL CORP.

Nancy Chusa  
WitnessCecil J. Hylton (SEAL)-  
PrincipalNancy Hedder  
WitnessBONDING COMPANY, WASHINGTON INTERNATIONAL INSURANCE CO.  
BY Mimi Rubenoff, Attorney-in-Fact

Attest:

APPROVED AS TO FORM:  
JAN GRAHAM  
ATTORNEY GENERALResident Agent: HURST & ASSOCIATESBonding Co. Address: 39 Broadway, Suite 1915By [Signature]New York, NY 10006

Corporate Seal of Bonding Company Must be Affixed.



Individual Acknowledgement

State of \_\_\_\_\_  
County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_, before me personally came and known to me to be the individual described in and who executed the foregoing instrument, and acknowledge to me that he executed the same.

My commission expires \_\_\_\_\_

Notary Public

Firm Acknowledgement

State of \_\_\_\_\_  
County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_, before me personally came \_\_\_\_\_ to me known and known to me to be a member of the firm of \_\_\_\_\_ described in and who executed the foregoing instrument, and he thereupon acknowledged to me that he executed the same as and for the act and deed of said firm.

My commission expires \_\_\_\_\_

Notary Public

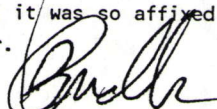
Corporation Acknowledgement

State of New York  
County of Nassau

On this 20th day of September, 1995, before me personally came William J. Dykstra, to me known who being by me duly sworn, did depose and say that he is the Vice President - Finance of \_\_\_\_\_

the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

**BRIAN LYNCH**  
NOTARY PUBLIC, State of New York  
No. 011Y4613944  
Qualified in Nassau County  
Commission Expires January 31, 1996



Notary Public

Surety Acknowledgement

State of New York  
County of New York

On September 18, 1995, before me personally came Mimi Rubenoff to me known, who, being by me duly sworn, did depose and say that he/she is an attorney-in-fact of WASHINGTON INTERNATIONAL INSURANCE COMPANY the corporation described in and which executed the within instrument; that he/she knows the corporate seal of said corporation; that the seal affixed to the within instrument is such corporate seal, and that he/she signed the said instrument and affixed the said seal as Attorney-in-Fact by authority of the Board of Directors of said corporation and by authority of this office under the Standing Resolutions thereof.

**MARIA DEPALMA**  
NOTARY PUBLIC, STATE OF NEW YORK  
No. 4787611  
QUALIFIED IN WESTCHESTER COUNTY  
COMMISSION EXPIRES OCTOBER 31, 1995



Notary Public



1930 Thoreau Drive, Suite 101, Schaumburg, Illinois 60173  
708/490-1850, Fax: 708/885-8710

**WASHINGTON INTERNATIONAL INSURANCE COMPANY**  
An Arizona Corporation

**BALANCE SHEET AS OF DECEMBER 31, 1994**  
(Statutory Basis)

Valuation of securities on National Association of Insurance Commissioner Basis

**ASSETS**

**CASH AND INVESTED ASSETS**

Cash	2,687,606
Bonds	30,435,074
Preferred Stocks	3,467,009
Short-Term Investments	4,892,931
Invested Income Due and Accrued	473,464
	<hr/>
	41,956,084

**OTHER ASSETS**

Premium in Course of Collection	3,446,279
Reinsurance Recoverable	982,993
	<hr/>
EDP Equipment	263,884
Miscellaneous	349,265
	<hr/>
	5,042,421

**TOTAL ADMITTED ASSETS**

---

---

46,998,505

**LIABILITIES, CAPITAL & SURPLUS**

Outstanding Losses and Loss Expense	20,366,469
Unearned Premiums	9,283,863
Commissions, Taxes and other Liabilities	1,795,280
	<hr/>
	31,445,612

**CAPITAL SURPLUS**

Capital Stock	4,200,000
Paid-In Surplus	425,000
Unassigned Funds	10,927,893
	<hr/>
	15,552,893

**TOTAL LIABILITIES, CAPITAL AND SURPLUS**

---

---

46,998,505

  
Lewis M. Moeller, Treasurer  
WASHINGTON INTERNATIONAL INSURANCE COMPANY

Subscribed and sworn before me,  
this 10th day of May, 1995

  
Maria R. Pierson, Notary Public

"OFFICIAL SEAL"  
Maria R. Pierson  
Notary Public, State of Illinois  
My Commission Expires 8-16-95

F:\SHARE\ACCT\BALSH94.WK4



General

WASHINGTON INTERNATIONAL INSURANCE COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the Washington International Insurance Company, a corporation organized and existing under the laws of the State of Arizona, and having its principal office in the Village of Schaumburg, Illinois, does hereby constitute and appoint

\* \* JOHN D. FILICE, RALPH INFANTE AND MIMI RUBENOFF \* \*

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required, or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said Washington International Insurance Company as fully and amply, to all intents and purposes, as if the same has been duly executed and acknowledged by its President at its principal office.

This Power of Attorney shall be limited in amount to \$2,000,000.00 for any single obligation.

This Power of Attorney is issued pursuant to authority granted by the resolutions of the Board of Directors adopted March 22, 1978, July 3, 1980 and October 21, 1986 which read, in part, as follows:

1. The President may designate Attorneys-in-Fact, and authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds, and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and to appoint Special Attorneys-in-Fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance to this section and/or any of the By-Laws of the Company, and to remove, at any time, any such Attorney-in-Fact or Special Attorney-in-Fact and revoke the authority given him."

2. The signatures of the Chairman of the Board, the President, Vice President, Assistant Secretary, Treasurer and Secretary, and the corporate seal of the Company, may be affixed to any Power of Attorney, certificate, bond or undertaking relating thereto, by facsimile. Any such Power of Attorney, certificate bond or undertaking bearing such facsimile signature or facsimile seal affixed in the ordinary course of business shall be valid and binding upon the company.

IN TESTIMONY WHEREOF, the Washington International Insurance Company has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 7th day of October, 1992.



WASHINGTON INTERNATIONAL INSURANCE COMPANY

Steven P. Anderson, Vice President

STATE OF ILLINOIS )

COUNTY OF COOK )

On this 7th day of October, 1992, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said that he is the therein described and authorized officer of the Washington International Insurance Company; that the seal affixed to said instrument is the Corporate Seal of said Company;

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, the day and year first above written.



*Christine Zaretsky*  
Christine Zaretsky, Notary Public  
My Commission Expires October 7, 1996

CERTIFICATE

STATE OF ILLINOIS )  
COUNTY OF COOK )

I, the undersigned, Secretary of WASHINGTON INTERNATIONAL INSURANCE COMPANY, an ARIZONA Corporation, DO HEREBY CERTIFY that the foregoing and attached POWER OF ATTORNEY remains in full force and has not been revoked, and furthermore that Article III, Section 5 of the By-Laws of the Corporation, and the Resolution of the Board of Directors, set forth in the Power of Attorney, are now in force.

Signed and sealed in the County of Cook. Dated the 18th day of September, 1995.

*Lewis M. Moeller*  
Lewis M. Moeller, Secretary